

HOUSE BILL No. 1814

DIGEST OF INTRODUCED BILL

Citations Affected: None (noncode).

Synopsis: Property tax levy appeal for transfer tuition. Provides that the state board of tax commissioners shall allow Union Township School Corporation in Fulton County to increase the school corporation's maximum property tax levy in 2000, 2001, and 2002 to pay for certain transfer tuition costs.

Effective: July 1, 1999.

Smith M

January 26, 1999, read first time and referred to Committee on Ways and Means.

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First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1814

A BILL FOR AN ACT concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. [EFFECTIVE JULY 1, 1999] (a) **This SECTION**
2 **applies only to a school corporation:**

3 **(1) that is located in a county having a population of more**
4 **than eighteen thousand eight hundred twenty (18,820) but less**
5 **than eighteen thousand nine hundred (18,900);**

6 **(2) that adopts a resolution under which the school**
7 **corporation will cease to exist on July 1, 2001; and**

8 **(3) in which all of the students of the school corporation**
9 **transfer each year from the school corporation to a transferee**
10 **school corporation.**

11 **(b) Notwithstanding IC 6-1.1-19, a school corporation may**
12 **appeal to the state board of tax commissioners for an increase in**
13 **the school corporation's maximum permissible levy for property**
14 **taxes payable in 2000, 2001, and 2002.**

15 **(c) For property taxes payable in 2000, if a school corporation**
16 **makes an appeal under this SECTION, the state board of tax**
17 **commissioners shall grant an increase in the school corporation's**
18 **maximum permissible levy equal to the sum of the following:**



(1) The greater of zero (0) or the difference between:

(A) the sum of:

- (i) the total tuition support (as defined in IC 21-3-1.7-4) received by the school corporation in 1999; plus
- (ii) the tuition support levy (as defined in IC 21-3-1.7-5) collected by the school corporation in 1999; plus
- (iii) any state distributions received by the school corporation under IC 21-3-1.7-9.5 (enrollment growth), IC 21-3-1.7-9.7 (at-risk), IC 21-3-1.7-9.8 (academic honors diploma), IC 21-3-10 (special education), or IC 21-3-4.5 (ADA flat grant) in 1999; plus
- (iv) the excise tax revenue (as defined in IC 21-3-1.7-2) received by the school corporation in 1999; minus

(B) the school corporation's total transfer tuition obligation for the school year beginning after June 30, 1998.

(2) The greater of zero (0) or the difference between:

(A) an estimate of the sum of:

- (i) the total tuition support (as defined in IC 21-3-1.7-4) that the school corporation will receive in 2000; plus
- (ii) the tuition support levy (as defined in IC 21-3-1.7-5) that is imposed by the school corporation for 2000; plus
- (iii) any state distributions that the school corporation will receive under IC 21-3-1.7-9.5 (enrollment growth), IC 21-3-1.7-9.7 (at-risk), IC 21-3-1.7-9.8 (academic honors diploma), IC 21-3-10 (special education), or IC 21-3-4.5 (ADA flat grant) in 2000; plus
- (iv) the excise tax revenue (as defined in IC 21-3-1.7-2) that the school corporation will receive in 2000; minus

(B) an estimate of the school corporation's total transfer tuition obligation for the school year beginning after June 30, 1999.

(d) For property taxes payable in 2001, if a school corporation makes an appeal under this SECTION, the state board of tax commissioners shall grant an increase in the school corporation's maximum permissible levy equal to the sum of the following:

(1) The greater of zero (0) or the difference between:

(A) the sum of:

- (i) the total tuition support (as defined in IC 21-3-1.7-4) received by the school corporation in 2000; plus
- (ii) the tuition support levy (as defined in IC 21-3-1.7-5) collected by the school corporation in 2000;



- 1 (iii) any state distributions received by the school
 2 corporation under IC 21-3-1.7-9.5 (enrollment growth),
 3 IC 21-3-1.7-9.7 (at-risk), IC 21-3-1.7-9.8 (academic
 4 honors diploma), IC 21-3-10 (special education), or
 5 IC 21-3-4.5 (ADA flat grant) in 2000; plus
 6 (iv) the excise tax revenue (as defined in IC 21-3-1.7-2)
 7 received by the school corporation in 2000; minus
 8 (B) the school corporation's total transfer tuition
 9 obligation for the school year beginning after June 30,
 10 1999; minus
 11 (C) the property tax levy collected by the school
 12 corporation under subsection (c)(2) in 2000.
 13 (2) The greater of zero (0) or the difference between:
 14 (A) an estimate of the sum of:
 15 (i) the total tuition support (as defined in IC 21-3-1.7-4)
 16 that the school corporation will receive in 2001; plus
 17 (ii) the tuition support levy (as defined in IC 21-3-1.7-5)
 18 that was imposed by the school corporation for 2001;
 19 (iii) any state distributions that the school corporation
 20 will receive under IC 21-3-1.7-9.5 (enrollment growth),
 21 IC 21-3-1.7-9.7 (at-risk), IC 21-3-1.7-9.8 (academic
 22 honors diploma), IC 21-3-10 (special education), or
 23 IC 21-3-4.5 (ADA flat grant) in 2001; plus
 24 (iv) the excise tax revenue (as defined in IC 21-3-1.7-2)
 25 that the school corporation will receive in 2001; minus
 26 (B) an estimate of the school corporation's total transfer
 27 tuition obligation for the school year beginning after June
 28 30, 2000.
 29 (e) For property taxes payable in 2002, if a school corporation
 30 makes an appeal under this SECTION, the state board of tax
 31 commissioners shall grant an increase in the school corporation's
 32 maximum permissible levy equal to the greater of zero (0) or the
 33 difference between:
 34 (1) the school corporation's total transfer tuition obligation
 35 for the school year beginning after June 30, 2000; minus
 36 (2) the total amount paid before 2002 for the school
 37 corporation's total transfer tuition obligation for the school
 38 year beginning after June 30, 2000.
 39 (f) Notwithstanding the termination and dissolution of the
 40 school corporation described in subsection (a), the township trustee
 41 of the township in which the school is located may do the following:
 42 (1) Take any action appropriate for winding up the school



1 corporation's affairs under this SECTION or completing
2 transactions under this SECTION that are unfinished at the
3 time of the school corporation's termination and dissolution.

4 (2) Impose a tuition support levy for the school corporation
5 for property taxes first due and payable in 2001. After June
6 30, 2001, the township trustee is entitled to receive the state
7 distributions that the school corporation would have received
8 after June 30, 2001, and before January 1, 2002. The township
9 trustee must apply these distributions to winding up the
10 school corporation's affairs, including the payment of any
11 outstanding transfer tuition obligations of the school
12 corporation.

13 (3) If there are outstanding transfer tuition obligations
14 incurred by the school corporation, appeal for and impose a
15 property tax levy under this SECTION in 2001 and in 2002.

16 (g) To the extent that there are funds remaining after the
17 winding up of the school corporation's affairs, including the
18 payment of any outstanding transfer tuition obligations of the
19 school corporation, the township trustee shall distribute the funds
20 as specified in the resolution described in subsection (a)(2).

21 (h) This SECTION expires January 1, 2003.

22 SECTION 2. [EFFECTIVE JULY 1, 1999] This act applies to
23 property taxes first due and payable after December 31, 1999.

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